



State halts road improvement projects

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Capitol Media Services
Sunday, September 07, 2008

PHOENIX -- The state is putting an immediate halt to more than \$170 million worth of road projects because federal funds are drying up.

Doug Nintzel, spokesman for the Arizona Department of Transportation, said his agency will not award new contracts unless and until there is some assurance from the Federal Highway Administration that there will be cash to pay for the projects.

The biggest of those put on "hold" is widening U.S. 93 just east of the Hoover Dam to four lanes. That \$107 million project is supposed to connect to a new bridge already under construction which will allow traffic to Las Vegas to avoid the two-lane road that goes directly over the dam.

Also put into limbo are widening State Route 85 north of Gila Bend, revamping the I-17 interchange at McGuireville north of Camp Verde, and two widening projects along U.S. 60, one near Wickenburg and the other between Globe and Superior.

That, however, may be just the beginning of the problem.

He noted that \$171 million is just a fraction of the \$650 million Arizona got last year in federal aid for highways, local roads, bridges and public transit.

Nintzel also said "greater Arizona" -- everywhere outside of Maricopa County -- is heavily dependent on those federal dollars. He said his agency had hoped to award nearly \$4.1 billion in projects this budget year for the other 14 counties, with 60 percent of that tied to federal matching funds.

Maricopa County is somewhat less dependent on federal dollars because of its own half-cent sales tax and the dollars that brings in.

The move came after U.S. Transportation Secretary Mary Peters said the solvency of the Highway Trust Fund is in danger because of the failure of Congress to approve more cash. She directed her agency to give out funds only on a week-by-week basis -- and only to the extent there is money available.

Nintzel said that the fund is expected to hit zero by the end of the month.

"We're taking this very seriously," he said.

He noted that the House has passed a measure to provide \$8 billion. But Nintzel said even if that becomes law it is at best, just "a one-year fix," with no commitment for the money that would be necessary to complete the projects.

"We can't move forward with a system based on IOUs," he said.

The Highway Trust Fund is fueled by revenues from gasoline taxes.

Peters, who is Arizona's former transportation chief, said the fund was already in trouble before the rising price of gasoline resulted in a sharp decline in the miles motorists are putting on their vehicles -- and, by extension, a decline in the amount of money from the 18.4-cent-a-gallon federal tax on gasoline.

Nintzel said even a delay in awarding projects could create problems.

He said, for example, that the new bridge now being built over the Colorado River is expected to be completed in 2010. Nintzel said the road-widening project will take two years -- meaning that it may not be ready when the new span opens.

The funding crunch resulted in some finger pointing.

Peters said Congress is to blame for billions of dollars in "earmarks" for special projects as well as various requirements for states to divert federal transportation funds for non-transit projects like lighthouses and museums.

Gov. Janet Napolitano, in her own prepared statement, said part of the problem is due to "federal mismanagement." And ADOT Director Victor Mendez Jr., a Napolitano appointee, said there has been a "deficit of leadership" at the federal level in dealing with the problem that everyone knew was coming.